

SESSION OF 2002

**SUPPLEMENTAL NOTE ON HOUSE
CONCURRENT RESOLUTION NO. 5039**

As Recommended by House Committee on
Utilities

Brief*

HCR 5039 urges the U.S. Congress to reinstate and extend, retroactively from December 31, 2001, the federal production tax credit for facilities that use wind energy to generate electricity. The federal Energy Policy Act of 1992 provided a production tax credit for electric generation facilities that use wind energy, but the credit was effective only through December 31, 2001, and has not been extended beyond that date.

Background

HCR 5039 was recommended by the Interim Committee on Utilities after reviewing the national energy plan proposed by the Bush Administration, which plan calls for the extension of the production tax credit for wind generation facilities. The Interim Committee had reviewed future energy supply forecasts and had heard testimony concerning Kansas' wind energy potential. Kansas ranks as high as third among the states, but the state's wind energy resources are largely undeveloped as a source of generation. The Committee heard testimony that wind, being an abundant, clean source of energy, has little negative environmental impact and which, if developed, would decrease the nation's dependence on foreign oil. The state's first wind farm at Montezuma, with 170 turbines, was constructed and brought on line during the end of 2001. Proponents of HCR 5039 suggested that tax incentives would encourage construction of additional wind generation facilities in the state. There were no opponents of HCR 5039.

No fiscal note for HCR 5039 is available.

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org/cgi-bin/fulltext/bills.cgi>